SPECIAL REPORT

Outdoor Advertising

Edited by Pat Gray Thomas

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Wrong building gets ad message, and extra exposure for Chicago radio station.

Outdoor faces its flaws

Measuring bureaus mend fences to push medium forward

By Alan Radding

The 10-year skirmish to keep the upstart out is over.

After ignoring and attempting to discourage the Out-of-Home Measurement Bureau and its 8-sheet focus, the Traffic Audit Bureau—the big boards' auditing service—has approved a 1990 joining of the two organizations.

The restructured organization will embark on an overdue expansion program designed to benefit the entire outdoor medium by providing advertisers more reliable numbers on more out-of-home media.

The two bureaus, to become the Traffic Audit Bureau for Media Measurement effective Jan. 1, will measure all out-of-home vehicles—from in-store media to aerial banners—and the number of people who observe them. "There are a lot of [new out-of-home] formats out there, and no one knows where to go with them," says Kenneth Sammon, TAB president.

"The OMB has already started to audit bus shelters, and [the new TAB] will go along with it," says Julian Sloan, OMB executive director and exec VP of the combined bureau.

"We'll consider anything that should be measured," says John Meskil, TAB chairman and exec VP-media, Warwick Baker & Fiore, New York.

The two organizations essentially perform the same function. They audit the number of vehicles passing a given board and produce a circulation figure for that location.

TAB audits painted bulletins and 30-sheet poster panels; OMB audits newer and smaller formats—primarily 8-sheet posters and transit shelters.

Previously, TAB members presented the primary obstacle to the organizations' merger, says Mr. Sloan, who helped launch OMB when TAB wouldn't audit 8-sheet.

The older outdoor companies perceived 8-sheet advertising to be an upstart competitor, he says. They refused to audit the 8-sheet format because they didn't want to validate a rival.

Over the years, hard-line TAB members retired, sold their companies or were converted and a new generation of outdoor media executives arrived with aggressive plans to expand the scope of outdoor.

"They look at outdoor and want to expand the club. And now, most of them have 8-sheets," says Mr. Sloan. For example, the 10 largest outdoor companies have 8-sheet boards.

"The change was buyer driven," says Mr. Meskil. "Most of the buyers in the industry were using both [30-sheets and 8-sheets] so why should they have to go to two different organizations for the same thing?"

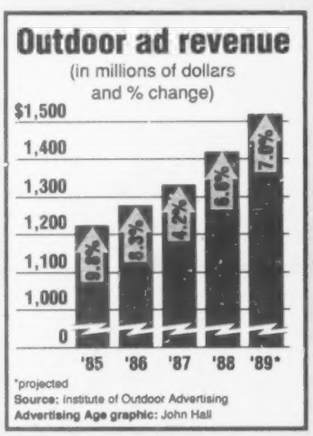
The last resistance crumbled in the face of a complex plan that restructures TAB to incorporate the 8-sheet industry and most other out-of-home formats while preserving each organization's autonomy until new measurement systems are in place in about two years. "All the OMB people have an important role," Mr. Meskil says.

According to Mr. Sloan, when OMB was forming 10 years ago, "I thought it was inevitable that they would merge. It only makes sense to have one organization." □

Alan Radding is a Boston-based correspondent.

BAROMETER

Take a number



Take the pulse

In concept, outdoor is for everybody. In reality, it's a commuter's medium. Barometer rides into town from the outskirts, casting a jaundiced eye on the media encountered.

Transit stations...Location, location, location. In genteel suburbs, graffiti artists still work on easels. But the average lifespan of a board in subway stations is a day, tops.

Bus posters...They stand out in a crowd. But when winter hits the Snow Belt, your name is mud.

Subway cards...Seriously underutilized by serious advertisers. Where do your eyes go when you're ignoring the drunk swaying from the strap?

Big boards...There's not much else to look at during rush hour. But they're less imposing at 55 mph.

Bus shelters...Considering most cities' transit system performance, these redefine the meaning of captive audience.

Taxi signage...Guilt by association. Nobody wants to buy a product riding shotgun on the vehicle that almost ran them over.

Companies pump up their images

Reebok International jumped into out-of-home advertising in a big way last month.

The shoe manufacturer contracted Technique Mirage to flash a bigger-than-life image of its new Pump athletic shoe across building facades in Chicago.

Atlanta-based Technique Mirage uses the brightest projectors available to project images up to 200 feet tall on buildings, mountains, giant screens and even smoke.

In the photo at left, Reebok's shoe is shown projected on the front of Chicago's Water Tower Place, the toney Michigan Avenue shopping mall. Below, Foot Locker's logo splashes across the building's face. □

See Page S-16 for a further look at the trends that are reshaping out-of-home media.

Researchers making a new impression

Outdated system to determine consumer exposure gets revamp

By Alan Radding

The "less-is-more" concept has another convert.

New outdoor research from the Traffic Audit Bureau is expected to address advertiser concern that auditing numbers generated by the current methodology are inflated.

"Smaller numbers should increase our credibility," says Andrew Weitzer, VP-media and research for Gannett Outdoor Group.

Under the current system the gross exposure figures—the number of people that pass an out-of-home ad and how often they pass it—are high and the resulting costs per thousand are low.

"The current system of evaluating exposure is recognized as being outdated due to increased auto ownership and lifestyle change," says Ken Sammon, president of TAB.

"Therefore the industry is fielding national reseach to pinpoint vehicle occupancy by market and by region—New Yorkers usually have full cars, and people in Los Angeles drive alone," he says.

Instead of one load factor—an accepted figure for the average number of passengers per vehicle—several regional load factors may be determined from the surveys to be undertaken by Simmons Market Research Bureau, Mediamark Research and TAB. The test will take place in late fall.

The load factor has been 1.75 people per vehicle since the early 1970s.

"Maybe it was OK during the oil crisis in the early 1970s when lots of people were carpooling, but it isn't OK anymore," Mr. Weitzer says.

Until the research is complete, "A load factor guesstimate is about 1.5 people for a national average for all driving, for all purposes, every day of the week," says Mr. Sammon.

Mr. Weitzer expects some complaints from the industry about the estimated 20% smaller audience figures that will result from the altered load factors.

However, many say the industry must improve its research to encourage greater advertising. There is always a suspicion that the data for outdoor advertising is not accurate, says Richard Olsen, vice chairman of Vitt Media International.

"Outdoor is using vague industry estimates [on general traffic and research], while advertisers are getting more scientific every day," he says.

"They haven't come up with a lot of new research in a long time, so anything new is welcome to us," says Mr. Olsen.

Some buyers remain skeptical.

Bob Warrens, senior VP-director of media resources and research at J. Walter Thompson USA, Chicago, says, "It still isn't going to get us reliable reach for a specific buy or location.

"We're just going around the block to make inferences, although maybe it will give us a little better handle on audience composition," he says.

The new system to quantify reach and frequency will replace Audience Measurement by Market for Outdoor and has been approved by the American Association of Advertising Agencies and the Association of National Advertisers.

"The whole thing is based on the miles traveled and puts a ceiling on reach," says Mr. Weitzer. The new system requires audiences be surveyed by field tests to ascertain how many urban miles individuals drive in a week and in a month. By excluding non-drivers, reach will never be 100% of the market, although frequency will continue to build as in the past.

Once the survey responses are collected in a national data base, the outdoor companies will be able to provide verifiable reach and frequency estimates for various demographic groups based on the percentage of urban miles driven by a particular group.

Some major outdoor advertisers are skeptical of any attempt to segment the medium by demographics.

"You don't really want to target women 18-49 with outdoor. Everybody uses the same roads," says Richard Dilworth, manager, out-of-home operations for RJR Media Services.

The objective is that outdoor be accurately quantified in the same way as other media, Mr. Weitzer says. "Our goal is to try to get outdoor on the computer in every agency with all the data, even pricing, so agencies can do reach and frequency and CPM comparisons."

Mr. Dilworth considers performance auditing the most important new research technique. The system, being tested by Gannett, through TAB, will rely on spot checks by independent auditors to determine whether the proper poster was at the right location at the right time.

"It's no different from the systems that check whether broadcast spots ran when they were supposed to," Mr. Dilworth says.

TAB expects the system to go into full operation in a couple years.

TAB is currently in four major markets monitoring outdoor performance that provides an electronic report on when and where the advertising appears.

Replacing the space position value rating will be a new location rating system based on a more detailed index—the New 4As Outdoor Visibility Rating System—that attempts to quantify a board's impact based on seconds of visibility. It gives credit for structural improvements, the location's visibility and proximity to other boards.

"There has been a lot of [reconstruction] in the industry and the new system will reflect this," says Mr. Dilworth.

Some operators are suspicious of the new location rating system. They fear it could lead to per-location pricing instead of the current unit rate pricing.

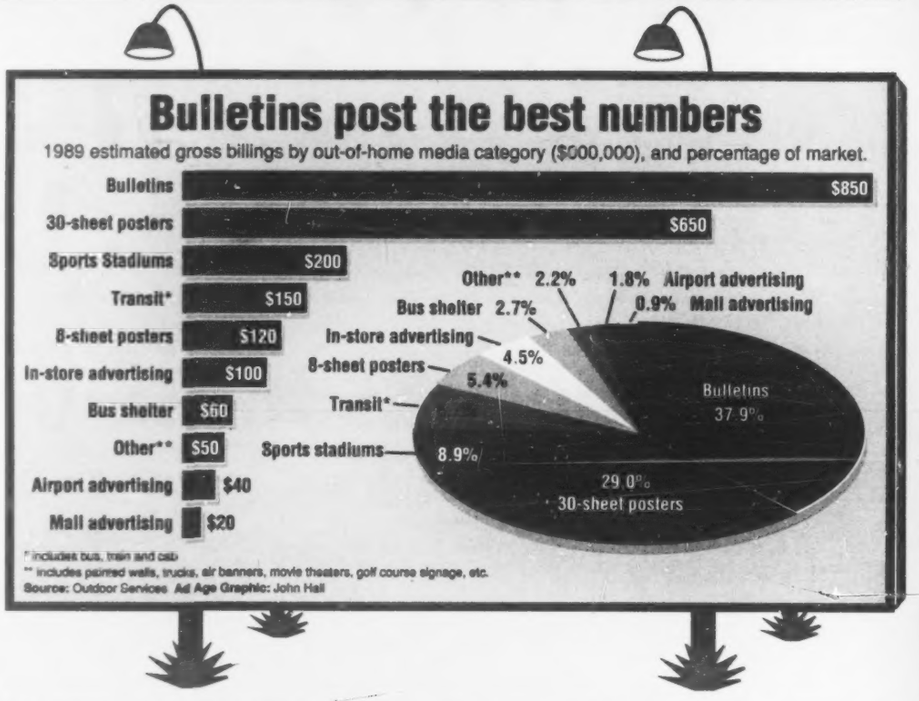
"The viewing time could be a problem," says one source close to 8-sheet operators. The system's variables might penalize smaller out-of-home formats.

The newly combined TAB and the Out-of-Home Measurement Bureau is upgrading and expanding its outdoor research quality. It will audit circulation figures for previously unaudited forms of out-of-home advertising such as transit, malls, in-store media, aerial displays, trucks, bench ads, ski tows, phone kiosks, grocery store displays, taxi backlights, professional sports stadiums/arenas and a variety of other new forms.

In addition, individual outdoor companies are launching their own research initiatives.

In Baltimore, Penn Advertising is testing an interactive communications unit that provides traffic figures, performance auditing and plant monitoring in a computerized remote-control package attached to the back of the board.

The new system notifies the outdoor company when illumination is failing, provides proof of performance through bar code scanning and can transmit traffic data by interfacing with automated traffic counting devices. □



Buffaloed into believing

Boards follow courtship; happy ending for pub

By Scott Hume

What can you create with one outdoor board and a $20,000 ad budget?

A fairy tale. And very high recall.

Crowley, Webb & Associates, Buffalo, N.Y., created both for local tavern Garcia's Irish Pub earlier this year, using an imaginative series of boards that had people talking and wondering.

The saga began April 17 when a board by a downtown expressway carried this message: "Angel in Red: Saw you at Garcia's Irish Pub. Love to meet you. William."

A week later the board carried a new message: "Angel in Red: Still waiting. Garcia's Pub, Friday? William." And the next week yet another: "Angel in Red: I'm going broke with these billboards. Garcia's . . . please. William."

During the fourth week, this response appeared: "Hey Willie, I'm no angel, but I do wear red. Garcia's Saturday. Candi."

The "real" Angel didn't respond until the eighth week—"Dear William. I must be crazy. Garcia's, Friday, 8:30. 'Angel.' "—after which the two star-crossed lovers finally got together. The series ended a week later with this final message: "Angel: Thanks for Friday at Garcia's. I'm in heaven. William."

William searching for "Angel in red," story ends in heaven with fame and riches for Garcia's.

What that synopsis leaves out is the amount of impact the campaign had while it ran. Suddenly, all of Buffalo wanted to know about "William" and the "Angel in Red."

"It took on a life of its own," says Joseph Crowley, the agency's president. "There was so much talk about that board that we arranged with a local radio station to do an interview with 'William' on Wednesday afternoons and Friday mornings" in addition to running Garcia's commercials on the station.

Paul Cotter, the campaign's copywriter, earned the right to portray William during the radio interviews/ads.

There was plenty of "free media" keeping the campaign alive, too. Local TV stations did news features on it. A local newspaper columnist devoted one day's column to the "relationship" between William and

(Continued on Page S-4)

Building for 1992

OAI putting together net to make buying overseas easier

By Alison Fahey

Worldwide outdoor media buys are now only a phone call away.

London-based Outdoor Advertising International, formed last month, has seven affiliates on three continents, allowing marketers to buy out-of-home space around the world through one company.

In the process, the company hopes to address some problems confronting advertisers that want to place out-of-home ads overseas.

"It's a troublesome area, buying outdoor overseas," says Pete Riordan, VP and out-of-home media manager at BBDO Worldwide, New York.

"It's time consuming [for an ad agency to locate and purchase] outdoor on its own," says Joanne Wayne, VP-associate media director, Grey Advertising, New York.

Furthermore, outdoor has long taken a back seat to other media, resulting in many agencies not developing expertise in buying space as easily as, for example, they would with magazines.

The joint-venture partners, comprised of outdoor advertising companies, sales representatives and media buying specialists, buy out-of-home space for members' clients in their respective countries. OAI assigns the buys to the appropriate affiliates; included is information on the client budget and target market.

This is how the system works: if a U.S. marketer wants to run an outdoor campaign in France it would contact the OAI rep in the U.S., which would then contact OAI. The group would direct Comecon, OAI's affiliate in France, to evaluate and make the buy.

The process will enable advertisers to get "better value" for their out-of-home placements because outdoor specialists in each country will make the buys, says Nick Beck, OAI's managing director.

"I can see that [OAI could make better buys than agencies]," says Ms. Wayne. "We're not a tremendous outdoor shop, we don't claim to have that expertise . . . I could see using it," she adds.

Grey now uses an outdoor sales rep, National Out-of-Home Media Services, to make outdoor buys across the U.S.

But advertisers shouldn't expect to get a lower price on outdoor space by using OAI instead of an agency, Mr. Beck says.

"In no case will OAI business be done on any basis besides impact. [Advertisers] may not get the cheapest site but they will get more [value]," he says.

Mr. Beck says OAI will offer the larger ad agencies a portion of the revenues derived from referred business. In that scenario, revenues are divided among the participating joint-venture partners or the ad agency and OAI.

"This is going to return money to the ad agencies that they never had before," says Mr. Beck.

OAI's joint venture partners include: National Out-of-Home Media Sales (U.S.); Marsh & Partners (London); Comecon (Paris); TDI (Hong Kong); Ginza (Barcelona); Pearl & Dean Caribbean (Trinidad); and David Copp Sports Media (London).

OAI is working on joint-venture relationships in Singapore and Japan, and the company also hopes to sign five more European partners by yearend.

OAI's 1990 rollout plans include Moscow, Rio de Janeiro and Australia. The consortium will buy space directly from outdoor companies in countries where it lacks representation, Mr. Beck says.

Agency executives, industry experts and outdoor companies applaud the industry's global di-

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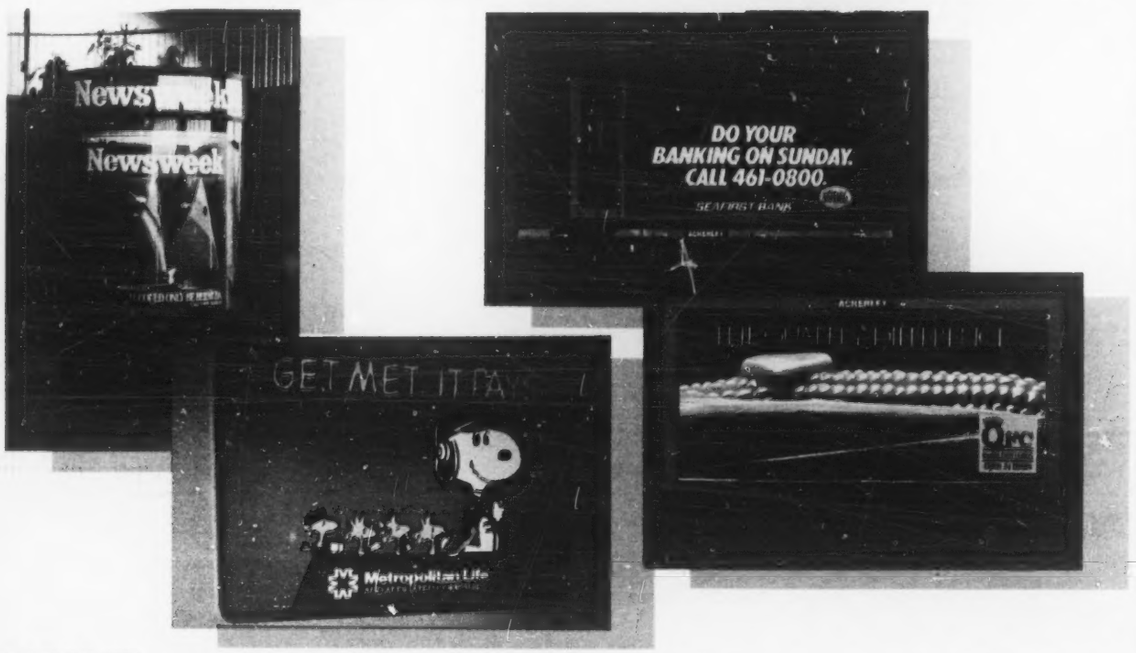

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Buffaloed

(Continued from Page S-2)

Angel. For Garcia's, its awareness and traffic both improved, he says.

"One reason this was so effective is that it had a fairy tale aspect to it," Mr. Crowley says. "Seeing somebody attractive and then later wishing you'd met, that's something I think a lot of people related to, so they watched the boards.

"Also, these boards didn't really look like professional ones, so many people had no idea this was really an ad campaign," he says. "We knew that when we pitched another piece of business and we talked about what we'd done with the Garcia's campaign. One of the execs turned to the other and said, 'My God. I *told* you that was an ad campaign.' "

Adding to the believability was the appearance of the campaign on just one board on the highway leading to Garcia's.

"It was a strategically placed board, certainly, but it was just one, so people had to go out of their way sometimes to find out the latest in the search for 'Angel,' " Mr. Crowley says. "That helped keep interest going."

The campaign was planned as a weekly series from the beginning. But reaction was so strong the agency trimmed the plan to nine different boards from 12.

The complete "Angel in red" campaign for Garcia's, including the arranged radio interviews, cost about $20,000. □

Prices hold steady despite mergers

Traditional structures have been clearly limited by anti-clutter forces, resulting in higher values for the ones that remain

By Alan Radding

There are two ways to expand an outdoor advertising company: buy another outdoor company or move into new out-of-home formats.

Industry experts agree that the ability to grow by putting up boards in new locations is limited.

The Highway Beautification Act of 1965 marked the turning point when traditional boards started coming down in greater numbers than they were going up. The outdoor industry responded by moving into new forms of out-of-home advertising.

"You have to expand your thinking [to other forms]," says Don Davidson, president-ceo of Gannett Outdoor Group. "Everyone thought they were in the billboard business. They couldn't see being in other types of out-of-home."

Today, there are about 500,000 traditional outdoor structures—painted bulletins, 30-sheets and 8-sheets—down from a peak of 1.2 million in 1965. Other out-of-home advertising faces include those on 35,000 buses, 13,000 commuter cars, 13,000 shopping-mall kiosks, 15,000 bus shelters and 13,000 grocery store displays.

Opposition from environmental groups and local governments makes it unlikely that the number of traditional structures will increase significantly.

The economics of the outdoor industry suggest the outdoor boards in existence today will become increasingly valuable as limited supply, increased demand and high profit margins continue, suggests William McCluskey, managing director of Henry Ansbacher Inc., a New York investment firm.

Outdoor's assets are not lost on other Wall Street financiers and investment bankers.

"There is real value in outdoor

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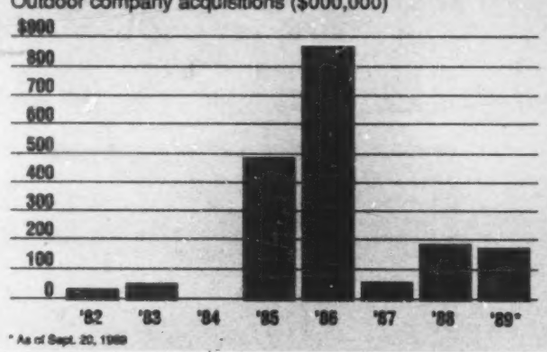
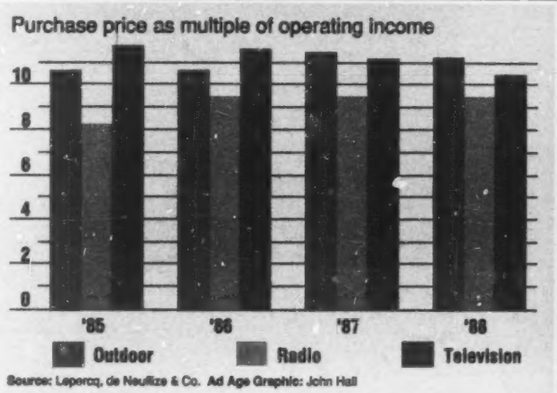


. . . as outdoor multiplies well



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Metropolitan Outdoor Advertising Corp.
has acquired the assets of
General Outdoor Advertising, Inc.
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Ohio Outdoor Acquisition Corp.
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Ohio Outdoor Advertising Corp.
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Adams Outdoor Advertising L.P.
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Mall Network, Inc.
(d/b/a MallMedia Network)
Acquisition Financing and Line of Credit
We acted as financial advisor to Mall Network, Inc. and arranged the above financing.

$14,500,000
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Mergers

(Continued from Page S-6)

plants. There is a finite number [of outdoor boards] in each market," says Dennis Brush, managing director of Lepercq de Neuflize & Co., a New York investment firm specializing in media with an emphasis on out-of-home.

Speaking to the financial community, Martin Pompadur, a founder of ML Media Partners, a joint venture with Merrill Lynch Capital Markets, says, "It's novel. It's an industry in need of professional marketing and sales and research.

"It's not labor intensive. It is not a state-of-the-art business. Revenue outpaces inflation. Profit margins are indecent at 40% to 45%. There are no inventories to go bad and receivables are not a problem," he says.

"Advertisers are turning to outdoor. It has the lowest cost-per-thousand and it is very regional, localized, which is something that advertisers want," says Mr. McCluskey.

Outdoor advertisers are concerned about board location, traffic count and whether or not it's audited, says Richard Olsen, vice chairman of Vitt Media International. "They don't care whose [outdoor board] it is."

However, outdoor has a credibility problem, he says, adding "large companies may bring a better sense of credibility to the industry."

Foster & Kleiser buy still the biggest

Top outdoor acquisitions since 1985

Acquired property	Buyer	Price ($000,000)	Year
1. Foster & Kleiser	Patrick Media Group	$710.0	1986
2. Naegele Outdoor Advertising	Morris Communications	425.0	1985
3. Peterson Outdoor	Boston Ventures	109.0	1989
4. Heritage Outdoor	Reagan Outdoor	85.0	1988
5. Peterson Outdoor	Adler & Shayken	80.0	1986
6. Creative Displays; Schloss Outdoor; Central Outdoor	Adams Outdoor	73.0	1986
7. Turner Outdoor	Adams Outdoor	65.0	1988
8. Patrick Outdoor of Pennsylvania	Penn Advertising	35.0	1987
9. Patrick Media Group of Atlanta	Outdoor Today	24.0	1988
Amni America	Gannett Outdoor	24.0	1989
11. Tri-State Systems	private group	17.0	1989
12. Idaho Outdoor	Metropolitan Outdoor	6.1	1987
13. Ohio Outdoor	management	4.5	1988

Source: Lepercq, de Neuflize & Co.; industry sources; Advertising Age. Advertising Age Graphic: John Hall

Advertisers probably aren't aware of the merger activity in outdoor and it wouldn't make a difference if they were, says Mike McMichael, VP-manager out-of-home media at J. Walter Thompson USA, Chicago.

Marketers are interested in price changes, and "we haven't seen any," says Mr. McMichael. "I can't believe there would be much price impact [caused by mergers]. Usually competitive pressure keeps prices in line."

JWT estimates that outdoor prices increased 5% in 1988 and 7% this year and will move up only 5% next year. The largest recent increase in outdoor pricing came in 1985, a year of sharp media inflation, when prices jumped 9%.

From a financier's point-of-view, out-of-home economics create a strong cash flow that can support heavy debt. This realization led to the recent surge of leveraged acquisitions.

> "Outdoor has the lowest cost-per-thousand and it is very regional, localized, which is something that advertisers want."

According to Lepercq, the volume of mergers and acquisitions in outdoor companies rose from about $35 million in 1982 to a peak of $874 million in 1986 when Patrick Media acquired Foster & Kleiser in a highly leveraged $710 million deal that is unraveling, says Mr. Brush. In the past two years, total outdoor acquisitions have run about $180 million or more.

The average purchase price is generally small—under $10 million—because most outdoor companies continue to be local or regional operations.

Bankers expect mergers in the outdoor industry to remain high. With about 295 plants (or 125 outdoor companies) in the Outdoor Advertising Association of America and about another 50 non-OAAA member plants, it is clear plenty of targets remain.

But don't expect to see many mega-mergers, advises Don Byer, president of the Institute of Outdoor Advertising.

"Even the big companies realize that they are local plants," he says.

However, spurred by investment bankers, out-of-home is changing. "The perception is that outdoor is old," says Mr. Byer, "but in reality, it is [made up of] young, modern, media and advertising people. □

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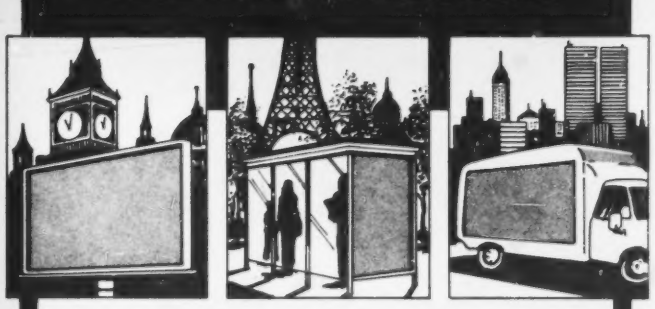

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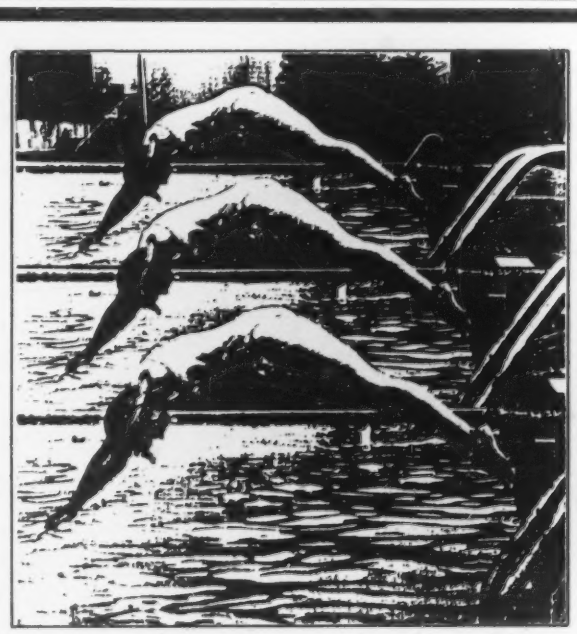

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PEOPLE TO WATCH

Outdoor gets a bum rap in New York, says Herbert W. "Woody" Swain, Jr.

Unlike Los Angeles, where outdoor boards are considered an art form, print and TV get all the attention east of the Hudson, says the VP-creative supervisor at Young & Rubicam, New York. "Outdoor is not top-of-mind with people [in New York]," says Mr. Swain, who has won awards for two of the outdoor boards he designed.

"We're at a disadvantage for assessing outdoor because, except for bus shelters, we're sort of immune to what's going on out there."

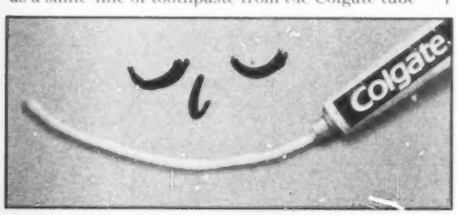
Two outdoor advertising projects that landed on his desk wound up award winners. A transit poster for the United Negro College Fund earned him a Communication Excellence to Black Audiences Award in 1988; last spring he scored his first Obie Award for Colgate toothpaste.

"In today's world, the language has become the barrier," say Lynn Steck, national creative director at Patrick Media Group. "Woody's work represents the first piece of creative from the package goods side that truly integrates the concept and visual for a wordless communication."

The image of a smiling face, with plain black strokes for the eyes and nose, and the mouth drawn as a smile-line of toothpaste from the Colgate tube projects a "childlike simplicity," says Mr. Swain. The tag line is "The wise choice."

Doug Goodman

Herbert "Woody" Swain, Jr.



Outdoor board for Colgate toothpaste gives Mr. Swain his first OBIE Award.

One of the biggest creative challenges for an art director, he says, "is to make sure what you've put on that billboard, when it's blown up, will be right. It's pretty scary when you think about it because that's you up there."

Out-of-home advertising "can be the most creative medium" because there's only the art director and the writer involved in the project, Mr. Swain says.

"It's just you and a piece of paper. You can put whatever you want on it and it'll be seen by thousands of people in a minute. It's a real challenge."

—Sally Fennell Robbins

Advertising Age

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PATRICK MEDIA GROUP, INC. POISED FOR THE FUTURE

Fake product proves to be more than passing fancy

Bogus Mediacom campaign generates real numbers for transit shelter ads

By Pat Gray Thomas

Cute as a thimble, it's a Kimble."

"You'll bless the day you bought a Kimble."

"He who is nimble is quick to buy a Kimble."

What is a "Kimble?" A product that wasn't.

A "Kimble" was a fictitious product created by Mediacom, Canada's giant outdoor advertising company. The ad slogans mentioned above were on the teaser posters placed in transit shelters to test the medium's effectiveness.

The campaign was created by then-staffers at Mediacom agency Miller Myers, Bruce DallaCosta, Toronto. Art Director Tony Kerr is now at Ambrose Carr Linton Kelly, Toronto; Copywriter Bruce MacDonald now works for Ryan MacDonald Edwards, Toronto.

The six-week campaign started in January when the first teaser ad—"Cute as a thimble, it's a Kimble"—appeared in transit shelters in Toronto, Vancouver and Montreal.

During the fifth and sixth weeks of the Kimble campaign—when "He who is nimble . . ." was posted—200 Toronto residents were randomly selected and interviewed in-home by Canadian Facts, an independent research company.

In response to one of the questions—"What is it?"—respondents and thousands of curious callers, guessed Kimbles might be sunglasses, jewelry, snack food, toothpaste, gum and a washing machine; the most popular answers were clothes, shoes and furs.

The study found 84% of respondents agreed transit shelter advertising is "enjoyable," while 85% said it was "interesting" and 75% described it as "informative." When asked to describe any transit shelter ad seen in the last four months without prompting, 4% repeated the ad message or described one of the three Kimble posters.

This is particularly unusual, says Rosanne Caror, VP-research at Mediacom, ". . . considering there was no brand or service and no one had heard of a Kimble prior to our promotion."

When shown a photo with the Kimble name masked, 26% of respondents recalled seeing the poster and 41% of that group could identify Kimble as the product name; 1% could recall the ads when shown complete pictures of the campaign.

After four weeks, 31% of all respondents were aware of the Kimble campaign.

Teens were particularly interested in identifying a Kimble: 86% of 12-to-17-year-olds said they were "very interested" or "somewhat interested" in finding out what one was. Only 46% of 18-to-24-year-olds, 37% of 25-to-49-year-olds, and 31% of those 50-plus showed similar interest.

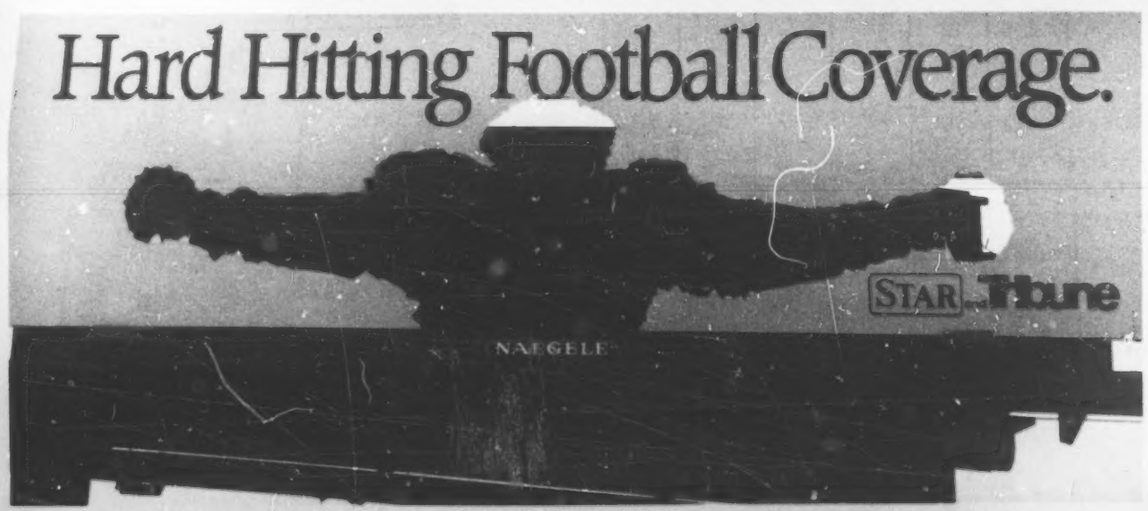
The effort supplied Mediacom with statistics supporting transit shelter advertising, which it used in a 3,000-piece direct mailing to advertisers and agencies.

"One advertiser asked if we had sent a promotional piece to his ad agency," says Yvonne McKinnon, Mediacom VP-advertising and promotions. The advertiser told her, "The agency keeps turning us away from outdoor, and I want them to see this." □

With ads like this, it's no wonder Toronto residents thought the fictitious Kimble was a sunglasses brand.

Mediacom's fake campaign delivered the desired result when a survey said 83% found it "interesting."

WE'LL TEAR OUT OUR GUTS FOR A GOOD IDEA.



Can you imagine this idea on television? What would they do? Break everyone's TV screen?

And, of course, most publications would be delighted to die cut through every page for you.

Or, you could personally take a chain saw to thousands of mail boxes.

But why bother? There's already one medium that's just as big as your idea.

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Outdoor 'can't have it both ways,' cities say

As national curbs cool, the battle is shifting to local level and a tricky question: How much is a board worth?

By Steven W. Colford

A federal court in Gainesville, Fla. last month paved the way for the local government to come up with a formula that would determine the value of an outdoor board, both for taxation and compensation.

By refusing a request by Peterson Outdoor, Ocala, Fla., to dismiss a longstanding lawsuit, the court, in effect, backed the right of a local government to remove outdoor boards for a price, according to Penny Wheat, commissioner in the surrounding Alachua County.

And price—or more specifically, value—is the heart of an increasing number of disputes between outdoor companies and local governments searching for additional revenue sources.

Gainesville and Jacksonville, Fla.; Raleigh, N.C.; and St. Louis are some of the sites where the same questions are being asked of out-of-home companies that pay considerably less in taxes on a board than what they say it is worth when the local government wants to remove it.

Stop the presses!

As this Special Report was going to press last Wednesday, legislation was introduced by Rep. John Lewis, (D., Ga.) to freeze the number of outdoor boards placed along federal highways and to allow the federal government to remove any nonconforming boards remaining after Oct. 1, 1994.

"Peterson has 120 boards outside Gainesville and last year paid $1,400 in taxes on all of them," Ms. Wheat says.

"But when we want to take a sign down, they say it's worth $100,000. Well, they can't have it both ways."

The spreading debate over an outdoor board's value has created another outdoor industry foe—one not necessarily motivated by anti-outdoor-board fervor as are previous opponents.

But the end-result is identical: more pressure on the industry.

The increased activity at the local level comes as the Outdoor Advertising Association of America's new president, Roland McElroy, sees anti-outdoor-board sentiment in Congress abating.

In fact, Mr. McElroy believes OAAA might convince Congress the outdoor industry deserves a further break in two years. That's the next time Congress will have an opportunity to alter the Highway Beautification Act of 1965 that controls outdoor boards along federal roads.

"The HBA has worked and worked very well," says Mr. McElroy.

"About 700,000 signs, illegal and nonconforming, have come down since it was passed.

"We feel the Fifth Amendment position regarding just compensation for the taking [down] of boards should be respected and strengthened, and that is under

(Continued on Page S-14)

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*ERIE, PA, for example, is the *only* U.S. test market whose demographics all fall within 5% of National averages. In fact, twelve of Penn's metro markets appear on "recommended" lists of major testing firms and agencies.

Outdoor versus cities

(Continued from Page S-13)

discussion" within OAAA, he says. "We'd be satisfied with the status quo ... but would like to look for ways to strengthen the process, but we don't have any deep legislative strategy on that right now."

Although Scenic America, an anti-outdoor lobbying group,

> "There has been some nibbling and nipping away by local governments. But generally the states and cities have not been successful."

thinks Congress is averse to further regulation of boards, it also believes trouble for the industry is surfacing on the state and local levels.

"There's not a lot of prospect for any change at the federal level," says Ed McMahon, Scenic America's executive director. "But I think what you're seeing, especially at the state and local levels, is an increased effort to make the billboard industry pay its fair share of taxes, and I think it's in that area that you'll see [more] regulation," he says.

Non-federal battle grounds are active, concedes Mr. McElroy.

"There's been a battle over signs at every [governmental] level, though it's hard to say if it's any more now than in the past," he says.

Mr. McElroy is more immediately concerned with possible legislation that targets all advertising, not just the outdoor medium. Foremost among Mr. McElroy's fears is that Congress will try to disallow some of the deductibility of advertising, whether across the board or just for alcohol and tobacco ads.

"I really don't think ad tax legislation has a chance, but it's just an example of how Congress next year will be looking for any new source of revenue it can find," he says.

"I think 1990 will be a watershed year for the Congress ... which will make every effort to find revenue. And if the economy is strong, that will increase chances they will try to get revenue from any number of sources, whether an ad tax, an excise tax or what have you. On the other hand, if there is a recession, they won't look at anything."

However, one upshot of possible ad-tax legislation might benefit the outdoor industry, which is among the least expensive media and therefore not likely to be cut from media plans, says Mr. McElroy.

Other legislation that has Mr. McElroy's attention is a bill from Rep. Tom Luken (D., Ohio) to ban imagery from all tobacco advertising. Because of proposed limits on type-size and color, Mr. McElroy says, a cigarette pack on a full-size outdoor board would appear to a passerby as about the size of a sugar cube.

Peter Riordan, VP-out-of-home manager, BBDO Worldwide, New York, sees little change in the regulatory environment.

"There are sporadic attempts by [congressional] committees to violate the federal standard for compensation through one gimmick or another. And there's been some nibbling and nipping away by local governments. But generally the states and cities have not been successful."

Scenic America's Mr. McMahon disagrees. "Many billboard companies don't pay property taxes, or when they do, it's based on old values, where they might report the value of a board at $100 when its market value [based on local property values] is in the thousands," he says.

Mr. McElroy's primary concern is that the activity remain on the local level and not spread to Congress, where outdoor is being viewed in a more positive light than it has for years. "I think the outdoor industry has received a bum rap in the last 10 to 15 years," he says. □

Tobacco companies roll to the top

Top 25 outdoor advertisers ($000)

Rank	Advertiser	Outdoor expenditures 1988	1987	% chg	as % of co.'s '88 ad total
1	Philip Morris Cos.	$61,425	$50,877	20.7	3.0
2	RJR Nabisco	57,366	63,064	(9.0)	7.0
3	Loews Corp.	32,802	23,546	39.3	26.5
4	B.A.T. Industries PLC	24,333	15,381	58.2	13.2
5	American Brands	11,831	19,732	(40.0)	7.0
6	U.S. Government	11,140	1,000	1,014.0	3.8
7	Seagram Co.	9,278	13,958	(33.5)	6.5
8	Grand Metropolitan PLC	7,796	7,314	6.6	1.0
9	Anheuser-Busch Cos.	6,708	9,580	(30.0)	1.1
10	McDonald's Corp.	6,306	6,607	(4.6)	0.9
11	Holiday Corp.	5,089	5,000	1.8	7.5
12	Guinness PLC	4,480	3,725	20.3	9.2
13	Allied-Lyons PLC	3,954	3,767	5.0	NA
14	Bond Corp. Holdings	3,581	1,601	123.7	5.0
15	Pepsico Inc.	3,080	4,518	(31.8)	0.4
16	Brown-Forman Co.	3,065	3,963	(22.7)	5.1
17	General Motors Corp.	2,997	1,989	50.6	0.2
18	Adolph Coors Co.	2,897	3,041	(4.8)	1.4
19	Ramada Inns	2,783	1,900	46.5	NA
20	Metropolitan Life Insurance Co.	2,689	1,746	54.0	3.7
21	Coca-Cola Co.	2,538	2,029	25.1	0.7
22	U.S. West	2,426	2,295	5.7	4.0
23	Argyll Group PLC	2,224	5,133	(56.7)	NA
24	Imasco Ltd.	2,190	1,984	10.4	2.4
25	Whitbread & Co. PLC	2,159	870	148.1	NA

Source: Leading National Advertisers.

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The boards that make Milwaukee famous

Well, maybe not quite, but strategic Koss sign has kept area commuters smiling for 17 years

Playing off the biblical story of Noah and the ark, a popular Koss board used the copy, "Noah's favorite pair."

By Pat Gray Thomas

Eye-catching, smile Koss-ing outdoor advertising for audio equipment manufacturer Koss Corp. has entertained Milwaukee-area drivers for 17 years.

An estimated 66,000 people a day drive past Koss Corp.'s international headquarters on Interstate 43 north of Capitol Drive and its attention-grabbing two-sided outdoor board. The board displays 16 foot by 36 foot painted bulletins bearing slogans such as "Wrap Music"—with a visual of a mummy wearing headphones—for northbound traffic; southbound travelers are treated to "Pi-Kosso," which features a Picasso painting complete with headphones.

John Koss Sr., company chairman and founder, is the father of the 17-year-old pun-filled campaign. "We had been in our new building a year or two when our marketing director mentioned what a shame it was to waste all that traffic out there," says Mr. Koss.

"We wanted something light; just to let people know that Milwaukee was the home of Koss headphones," he says.

The first board to go up about a year later was a happy face *without* headphones and copy that asked: "Ever wonder why he's smiling?"

Two weeks later the answer came with the addition of headphones to the happy face.

Mona Lisa asked the same question later that year.

From then on, changing with the seasons, another pop personality or historical figure appeared on the boards, always with Koss headphones and comic commentary:

- George Washington reminded viewers "Father knows best," suggested by son Michael Koss, president-chief operating officer of the company;
- Abraham Lincoln announced, "Not all stereophones are created equal";
- Noah, of Noah and the Ark fame, added, "Noah's favorite pair."

The two outdoor boards' creative costs about $25,000 a year, but "we could rent the boards for $4,000 a month so it's costing us another $50,000," says Mr. Koss.

Milwaukee is the only permanent site for the advertising, but from 1973 through the Los Angeles Olympic Games the boards also were in Chicago, Dallas, Los Angeles and New York's Times Square and Holland Tunnel.

"It got to be very expensive and it required too much administration, so we cut back," he says. "We may do it again," he adds. "It's very effective."

In 1986, Mr. Koss changed advertising agencies and decided at the same time to completely turn "his baby" over to Curro Eichenbaum of Milwaukee—the previous agency, Kloppenburg Switzer & Teich, Milwaukee, did some of the work.

Although the Milwaukee agency now handles the effort, Mr. Koss still reviews all ideas and has the final say on new boards.

The most popular board, until this year, had been one picturing the late actor James Dean. "Rebel Without a Koss" and "With a Koss." But "PiKosso" is now No. 1, Mr. Koss says.

"It's easy to pick the good ones. It only takes a few parties and meetings" to discover a board's promotional aptitude, he says. □

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A look at outdoor trends in creative, technology

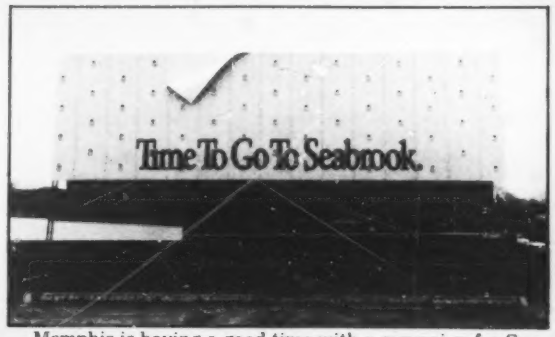
PORTFOLIO

Houston's KPRC-TV's fall schedule was announced via a campaign by Hively Agency, Houston. Posted on the city's major highways, the light weight (150 pounds) and quick assembly of the computer-painted bulletins from Metro-Media Technologies allows the outdoor board to be changed every day.

D'Arcy Masius Benton & Bowles' used fiber-optic technology to add sparkle to Pontiac airport diorama in selected airports and train stations. A burst of light moves across the diorama illuminating the copy as it travels from left to right. Art Director, Elaine Ohno and Copywriter Paul Stawski created the ad.

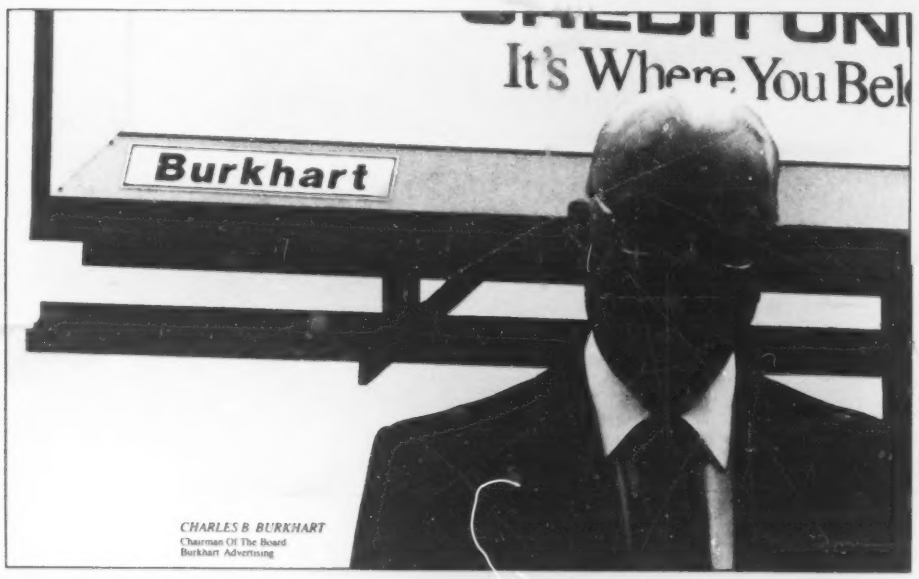
Chiclets' "Chew your face off" will keep gum chewers laughing and Warner-Lambert Canada—Adams Brands happy with this bronze-award winner at Mediacom's 11th Annual Billi Awards show Sept. 26 in Toronto, from J. Walter Thompson Co. Art director is Robert Ito and copywriter is Steve Roxborough.

The three-dimensional CNN camera is watching whenever you happen to look. And once you look, its eye follows your movement as you walk. CNN used a new photographic technique, from Grayson Marshall, Los Angeles, that creates a 3-D effect for the airport dioramas. Creative was done in-house at CNN.



Memphis is having a good time with a campaign for Seabrook Wallcoverings created by Thompson & Company, Memphis. Customers, suppliers and other retailers come in daily with comments about the "peeling paper." One elderly woman called Seabrook to tell them their board needed repair, "the paper is peeling off," she said. Michael H. Thompson is creative director; Trace Hallowell is art director and copywriter.

Panasonic Co.'s outdoor board at the New Jersey entrance to the Lincoln Tunnel has been lighting automatically for the last year. Allied Outdoor Advertising, the first outdoor company to use the system, can turn the lights on or off by pressing a key on a computer control panel. The computerized radio controlled lighting system can be programmed for precise, pre-selected times or changed manually in response to rainy days when instant lighting is needed.



We're Celebrating 25 Years.

In 1964, South Bend's economy was reeling from the closing of the Studebaker Corporation's automotive plant. It seemed an inauspicious time to think of beginning a new corporation.

But Charlie Burkhart had an idea. So he incorporated, and the seven employees of the newly formed Burkhart Advertising went to work out of their small office, providing outdoor advertising to South Bend and Mishawaka.

Today, 25 years later, the privately held Indiana company has a payroll of over $3 million and has four strategically located offices in northern Indiana. Over the years, too, Burkhart's business has expanded to include signage of all kinds as well as outdoor advertising.

We at Burkhart are proud of our company, proud of our growth and proud to be celebrating this milestone 25th anniversary.

Burkhart CELEBRATING 25 years 1964-1989

South Bend · Fort Wayne · Anderson · Lafayette

International

(Continued from Page S-4)

rection.

"It's perfect evidence of the [outdoor] industry's desire to be especially responsive to the needs of advertisers," says Don Byer, president of the Institute of Outdoor Advertising.

"[OAI] could be useful for agencies, especially smaller agencies with fewer [international] affiliates," says Mr. Riordan.

Don Sperring, European media director at Young & Rubicam, London, agrees that smaller agencies may find more use for the OAI network than larger ones.

But a recent joint venture between Avenir, a French poster company, and Mills & Allan, a British financial group, could prove to be formidable competition to OAI in buying outdoor throughout Europe, he says.

John Hope, senior VP-general manager of Gannett Outdoor Network USA, the group that five years ago pioneered the concept of an outdoor media-buying network in the U.S., sees the value of OAI's program.

Still, the Outdoor Network never made the global move because, as Mr. Hope says, "we felt we had too much to do here before we branched out."

OAI is forecasting about $11 million in billings for its first full year. Industry experts note the dropping of the European trade barriers in 1992 is expected to lure more U.S. advertisers to European markets.

"1992 is very relevant" to the formation of OAI, Mr. Beck says.

"Major international advertisers are going to move increasingly into trans-frontier outdoor advertising in Europe because outdoor is the only medium that presents no translation problems when the creative treatment is right," he says.

Mr. Beck feels OAI will help boost outdoor revenues in some countries. For example, with a small outdoor board market in Japan, he predicts Japanese business, which is still learning the ropes in outdoor advertising, will likely flow into the U.S. through the joint-venture partner there. □

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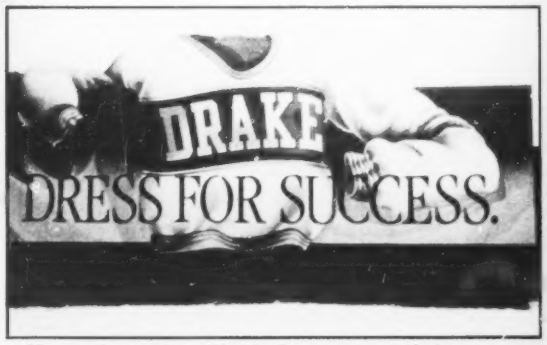
South Dakota Department of Tourism changes its message to the people of Minneapolis up to eight times a day—as often as the city codes allow—from its Sioux Falls office. Created by Lawrence & Schiller in Sioux Falls, S.D., the board is programmed by cellular phone and runs on reflective light.

Only in California: Oasis Laundry laundromats come equipped with big-screen TVs, video monitors and games, snack bar, digital washers and dryers and a "friendly fluff and fold attendant" for customers in a crisis. Zany outdoor boards increased first quarter 1989 sales 500% over the same period in 1988 and generated 14 new—previously unplanned—franchise commitments, the company claims. Agency is Mandelbaum Mooney Ashley, San Francisco. The art director is Cathi Mooney and copywriter is Ken Mandelbaum.

The Minnesota Department of Transportation announced repairs and routing changes to the public via Minneapolis transit shelters to create smooth flowing traffic for drivers who were expecting a summer of discontent with detours and delays that never arrived. Colle & McVoy, Minneapolis, is the agency. Jeff Jahn is art director and Randy Gosda is copywriter.

BOB GRUEN/STAR FILE

The Rolling Stones concert in Philadelphia was a record breaking event as spectators saw National Aerial fly overhead with the largest aerial banner ever flown. Measuring 30 feet by 110 feet, the computer-painted image of Mick Jagger and the Stones, from Computer Image Systems, included a hand-painted Steel Wheels album logo. The banner took less than one week to paint.



Many other universities in Iowa request their own version of the "Drake University board," says Teri Wood, account exec at Naegele Outdoor in Des Moines. Fred Robinson, art director and Jim Richardson, copywriter, at Zimmerman, Laurent & Richardson, Des Moines, created the board that won a local Addy award for best outdoor advertising in 1989.

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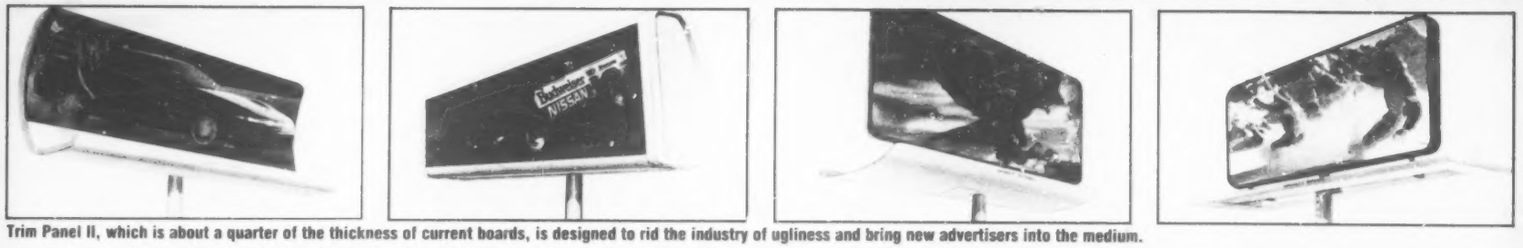

Trim Panel II, which is about a quarter of the thickness of current boards, is designed to rid the industry of ugliness and bring new advertisers into the medium.

Gannett goes back to drawing board

By Bradley Johnson

Gannett Outdoor Group's boards of the future are a little like the Stealth Bomber: sleek, attractive and costly. They also share another common element. "The same technology that was used for the Stealth Bomber," says James Keller, Gannett's divisional VP-marketing.

Gannett's new design, dubbed Trim Panel II, is just 5½ inches thick vs. about 2 feet for regular boards. It is composed of off-white-colored Fiberglas that eliminates the massive, rust-prone open steel structure on the back of traditional boards.

Gannett has spent several hundred thousand dollars over the past four years developing the outdoor boards, says Don Davidson, president of Gannett Outdoor Group. The new boards cost more than $5,000 each, about twice the price of current boards, he says.

Gannett believes its investment will bring new advertisers on board, appeal to existing ones and —maybe most important—mollify critics by presenting a less obtrusive structure.

The project began three years ago when California architect Robert Sully suggested the beleagured industry would benefit by taking the traditional structures back to the drawing board.

Traditional boards are "just damn ugly. I can do something about ugly," says Mr. Sully, president of Argonaut Co., a Santa Monica, Calif., architectural and design company.

Gannett, already working on streamlined boards, took the architect's offer. The result—following input from an aeronautical engineer, field testing in rural Tennessee and wind testing in Phoenix—is the Trim Panel II.

Gannett is preparing to sell the board's merits to cities, which call the shots on placement, and it will make design specs available to competitors at no cost. □

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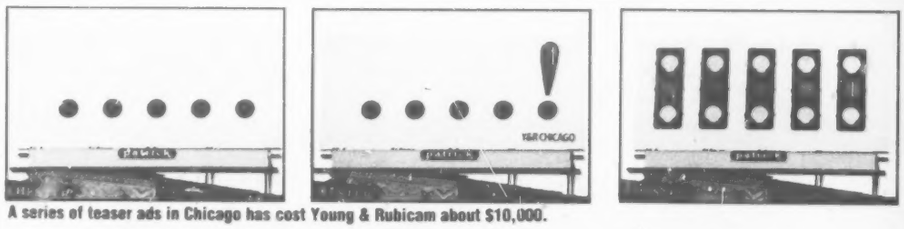

A series of teaser ads in Chicago has cost Young & Rubicam about $10,000.

Dots not all for Y&R

Agency takes to teasing Chicago

By Jon Lafayette

Young & Rubicam's Chicago office has taken on the unusual position of playing both client and agency. The shop is placing a mysterious series of ads on one of Chicago's more expensive and visible outdoor boards.

The teaser ads have played a guessing game with pedestrians and motorists on the city's famed Michigan Avenue.

The creative strategy is to start with a nonsense message and then resolve it in a progression of boards that change every two weeks.

During the campaign's first two weeks, beginning July 23, the poster made no sense at all: just a series of five large dots.

On the next board, the final dot turned into an exclamation point, with "Y&R Chicago" beneath it.

The next board, minus the agency's name, showed five traffic lights, all flashing yellow. Two weeks later, the first four traffic lights were red; the fifth signal was green and "Y&R Chicago" returned beneath it.

The next board showed a daytime rendering of the Chicago skyline. On Oct. 2, the final installment appeared: a nighttime scene of Chicago's skyline with one building illuminated. That bright spot is Y&R's offices, of course. The campaign ends Oct. 22.

In explaining the motivation behind the campaign, Pat Cafferata, president-ceo of Y&R, Chicago, calls it "just a lark. There was [an outdoor board] on Michigan Avenue that was going to be free for a while. One of our clients was going to buy it, then decided not to. So we just decided to take it for ourselves."

Renting the board has cost the agency more than $10,000.

Ms. Cafferata says the agency has been pleased by the response to the campaign. "It got a lot of

(Continued on Page S-20)

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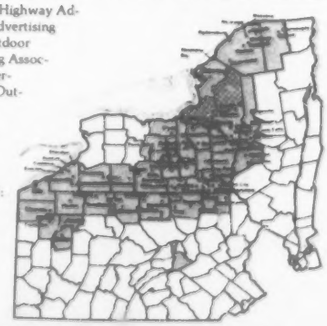


Park Outdoor Advertising of New York, Inc., Box 6477, Ithaca, NY 14851 (607) 277-1177

Y&R

(Continued on Page S-20)
people talking," she says.

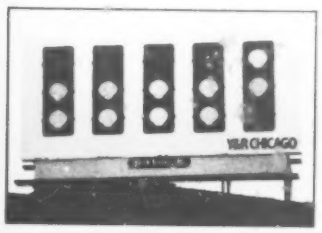
"We're known for our creative, so it shouldn't be a surprise we would do something like this," she says. "We've had a lot of phone calls. People ask, 'What is that?' and we say it's just for fun."

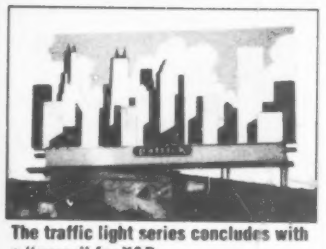
But all good things must come to an end.

"It would become everyday if we tried to keep doing it. Besides, we couldn't afford it," Ms. Cafferata says.

And some people will be sad when Y&R's campaign is replaced by a regular ad from a regular marketer, she surmises.

"I think they'll be disappointed when it comes down." [ ]





The traffic light series concludes with a "green" for Y&R.

PARTING SHOT

Double trouble in Wrigleyville

Wrong building gets message

The building on the top is right; the building on the bottom is wrong.

As part of a promotion, WLUP-AM, Chicago, wanted the face of its sportscaster Chet Coppock painted on a building across the street from Wrigley Field in view of Chicago Cubs fans, TV viewers and passersby. WLUP got his face and the message—Coppock on Sports, Evenings, WLUP-AM 1000—[illegible], but it was on the wrong

Either painters lost their way, [illegible] wrong address or wanted n[illegible]et Coppock.

What h[illegible]

"We contracted for the wall at 3709 [Sheffield Ave.], and we said it was by Wrigley Field by the Red Top parking lot," says Larry Wert, WLUP VP-general manager. "The only problem was that there was another building, 3621 to be exact, that was also near the parking lot."

After the painting was completed on 3621 Sheffield and the error surfaced, Mr. Coppock's likeness was added to 3709 Sheffield as well.

"Personally, we think it's one of the [most] terrific blunders we've made all year," says Mr. Wert. "The mistake couldn't have occurred in a better place than the friendly confines of Wrigley Field." It also couldn't have happened at a better time: mid-September as the Cubs headed into their National League East division pennant-clinching stretch.

The residents of 3621 are not complaining to WLUP or The Billboard Co., which painted the Eisaman, Johns & Laws Advertising, Chicago, designed ad, but payment is being negotiated.

The subject of the painting has no qualms about his mug being the talk of Sheffield Ave.

"Chet was thrilled," says Mr. Wert, who was rather pleased himself. "Twice as much Coppock is better than no Coppock."

—Pat Gray Thomas

Mary Hershey

WLUP-AM got more exposure than originally planned when its sign was painted on wrong building (bottom).

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Leading category still smoking

Top out-of-home categories	1986	% chg.	1987	% chg.	1988	% chg.	1989*
1. Tobacco	$359.4	–13.2%	$311.9	15.1%	$358.9	17.3%	$421.0
2. Retail	98.9	33.3	131.9	24.0	163.5	–7.7	150.9
3. Business/Consumer services	108.5	–2.1	106.2	20.1	127.5	2.9	131.2
4. Automotive	96.4	13.4	109.3	6.7	116.6	–2.1	114.1
5. Beer/Wine/Liquor	118.7	10.7	131.4	–14.3	112.6	–1.6	111.3
6. Publishing/Media	69.6	22.3	85.1	12.1	95.4	8.4	103.4
7. Travel/Hotel	110.4	–6.0	103.8	5.3	109.3	–6.0	102.7
8. Entertainment/Amusement	69.6	10.1	76.6	15.7	88.6	10.6	98.0
9. Insurance/Real estate	62.2	9.6	68.2	–2.3	66.6	–19.1	53.9
10. Food/Food products	19.2	109.4	30.2	–12.3	26.5	0	26.5

Note: Dollars are in millions
*estimate
Source: Institute of Outdoor Advertising, **Advertising Age Graphic:** John Hall

Out-of-home, despite its best intentions, just can't seem to kick certain vices.

Painfully aware that its fortunes are closely tied to heavily scrutinized, often-embattled tobacco advertising, the outdoor industry has worked to cultivate new categories.

The industry has met with some success. For example, package goods have been pursued with ardor; that category has ascended to the top 10 among outdoor advertisers with gross billings rising an estimated 38% from 1986 to year-end 1989, according to the Institute of Outdoor Advertising.

But while one "vice" category—beer/wine/liquor—has dropped 6.2% in the same time frame, tobacco maintains its preeminent position.

In fact, outdoor tobacco advertising will account for an estimated 32.1% of billings among the leading 10 categories, just a fraction less than the 32.3% it commanded in 1986. During this time, total tobacco billings rose an estimated 17.1%.

IOA estimates total outdoor media billings will hit more than $1.5 billion by yearend. The top 10 advertising categories will account for a substantial 86.6% of total 1989 outdoor billings; tobacco advertising alone will represent 27.8% of all outdoor advertising.

But some bright spots lessen the concern over tobacco's commanding role.

Retailers are now outdoor's second-largest advertising category, spending $150.9 million this year. This 52.6% increase since 1986 makes retail the fastest growing category among the top 10.

Publishing/media and entertainment/amusement were the next strongest categories from 1986 to 1989, increasing an estimated 48.6% and 40.8%, respectively.

Along with beer/wine/liquor, the softest categories were insurance/real estate and travel/hotel, which dropped 13.3% and 7% from 1986 to 1989, respectively.

Insurance/real estate continues to fall, recording the sharpest drop this year—19.1%. □

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See our $1.0 Million Free Trial Offer on page 45.

MEDIAWORKS

LAUNCHING PAD

Startup to take on 'TV Guide'

New publication launches.

'TV Times'

Tests of *TV Times*, working title for a new weekly TV and entertainment magazine, are planned for February in San Diego and Huntington Beach, Calif.

This newest challenger to Rupert Murdoch's *TV Guide* is from TVSM, New York, whose monthly *Cable Guide* (circulation 7.2 million) already makes it the nation's largest cable TV guide publisher.

Unlike *Cable Guide*, which is paid for by cable system operators and distributed free to cable subscribers, *TV Times* will cost $2.79 a month. *TV Guide* sells for 75¢ per copy.

TV Times will be a full-size magazine compared with the digest-size *TV Guide*. The cable listings in *TV Times* will cover only those programs offered by the subscriber's cable system. *TV Guide's* broader cable listings cover all program offerings in a geographical market.

Like *TV Guide*, *TV Times* will publish broadcast channel listings.

A similar venture—*TV-Cable Week*, launched by Time Inc. in 1983—folded after six months and posted losses of some $47 million.

TV Week Network, representing 29 major market Sunday newspaper TV program guides, was organized last year to compete with *TV Guide* for TV tune-in ad dollars.

TVSM's new weekly will initially serve two cable systems that will start rolling out nationally next September and should be serving 300 systems within four years, said Mark Edmiston, chairman-ceo.

Cable Guide advertisers will be offered special charter rates in the new magazine, he said. *TV Times* will eventually be sold to advertisers as part of a package with *Cable Guide*.

TV Times interim publisher is *Cable Guide* Publisher Alan Wragg and its interim editor is *Cable Guide* Editor Jay Gissan. *TV Times* offices are at 475 Fifth Ave., New York 10017. Phone: (212) 683-6116. □

Written by Scott Donaton.

COVER STORY

Liz leads September star parade

"Cover Story" is a monthly ranking of celebrities' popularity as reflected by their appearances on the covers of more than 30 of the nation's leading publications.

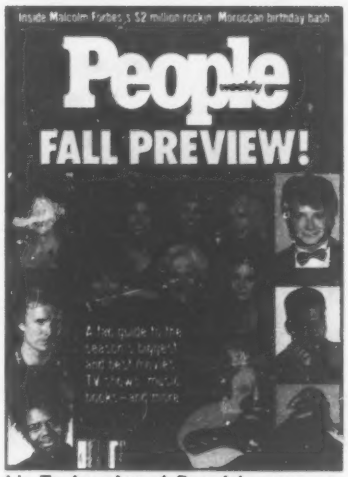
September brings thoughts of back-to-school sales, Labor Day barbecues and falling leaves.

For celebrity-magazine cover editors, the ninth month brings the start of TV's new fall season. And that means it's time for . . . Fall Preview issues.

For "Cover Story," which assigns point values to cover appearances based on such factors as prominence of the photo and frequency of the publication, it meant a month where no star shone too bright and no score rose too high.

Elizabeth Taylor, perennial favorite among checkout-counter tabloids, was September's Cover Queen, riding publicity from her appearance in the TV version of the Tennessee Williams play, "Sweet Bird of Youth."

Additional points were scored by her presence at companion Malcolm Forbes' star-studded 70th birthday party in Morocco.



Liz Taylor shared *People's* cover on her way to a "Cover Story" crown.

Even she scored just 6.5 "Cover Story" points, a very low total for a monthly champ.

Placing second for the month was—surprise—**Roseanne Barr**, the hottest cover celebrity to date. Ms. Barr's 6 points in September lifted her year-to-date total to 64.5, a mere 3 points behind the record set by Princess Di in 1987.

The publication of Ms. Barr's new tell-some book, "Roseanne: My Life as a Woman," and her promotional appearances kept media attention focused her way.

Third-place honors went to **Dolly Parton** with 5 points. We're still trying to figure out why.

Among the other celebrities whose faces stared back at us from the newsstands in September: Bill Cosby (4.5 points); John Goodman (3); Kim Basinger (3); Joan Rivers (3); Sam Donaldson (3); Oprah Winfrey (2); Michael J. Fox (2); and Kirk Cameron (2).

Honorable mention: **Exxon Valdez disaster in Alaska**. News that the oil company was halting its cleanup operation earned 10 "Cover Story" points. □

Written by Scott Donaton.

NEWSSTAND

Print advertising opportunities.

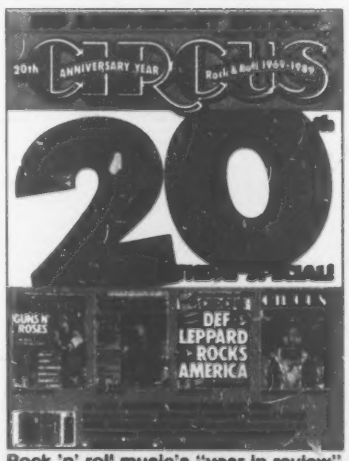
Inside Sports, Evanston, Ill., "NFL playoffs" special editorial section, January issue; ad close: Oct. 10. B&w page: $11,010; color page: $12,325.

Inc., New York, "*Inc.* 500" special editorial report, December issue; ad close: Oct. 13. B&w page: $28,740; color page: $43,970.

California Business, Los Angeles, "Palm Springs and the desert resorts" special editorial report, December issue; ad close: Oct. 16. B&w page: $8,450; color page: $11,405.

Forbes, New York, "Boston: meeting the challenge" special advertising supplement, Dec. 11 issue; ad close: Oct. 16. B&w page: $32,930; color page: $50,060.

Fortune, New York, "North American gold mining: a dynamic growth industry" special advertising section, Dec. 4 issue; ad close: Oct. 16. B&w page: $39,840; color page: $60,960.



Rock 'n' roll music's "year in review" is the special section in the December issue of *Circus*.

New York Magazine, New York, "The romance of the stone" special advertising section, Nov. 6 issue; ad close: Oct. 16. B&w page: $15,340; color page: $24,150.

Institutional Investor, New York, "Business travel" special editorial feature, November issue; ad close: Oct. 17. B&w page: $14,675; color page: $20,700.

Circus, New York, "Rock and roll: the year in review" special editorial section, December issue; ad close: Oct. 18. B&w page: $5,250; color page: $6,975.

City & State, New York, "The government manager: financial services" special editorial/advertising supplement, Nov. 6 issue; ad close: Oct. 20. B&w page: $6,580; color page: $8,430. □

TRACKING SHARES

Baseball suffers in network slump

A ratings and demographic analysis of TV programs.

As Major League Baseball's National and American League championship series draw to a close, "Tracking Shares" takes a look at how baseball has been doing in the ratings game.

"The World Series." Some observers are braced for audience slippage. Though the ratings have slid from the early '80's, "the numbers going down are just part and parcel of the overall network [audience] erosion," said Bill Croasdale, senior VP-director of national broadcast at Backer Spielvogel Bates, New York. "I think if the numbers dip this year it will be because of that, not because of the teams involved. The networks are doing a better job of promoting themselves, but I think there will be some erosion."

Big markets don't always mean big ratings. Philadelphia's victory over Kansas City in 1980 earned a 32.8 Nielsen rating with a 56% share of the TV audience. That stands as the highest-rated World Series of the decade. Last year, the five-game series between the Los Angeles Dodgers and Oakland Athletics on NBC averaged only a 23.9 rating and a 39% share, the third-lowest average Series rating in the past 10 years.

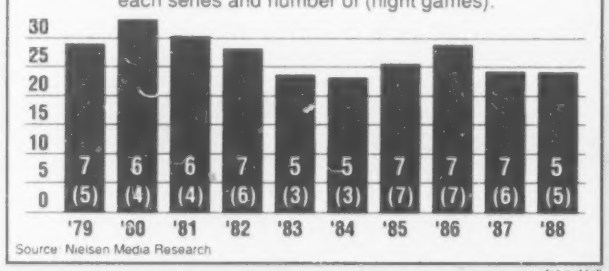
Ratings: 23.9 (five-game average in '88).

Demographics: (five-game average in '88) Women (18-34) 8.8; (18-49) 10.4; (25-54) 11.8. Men (18-34) 15.2; (18-49) 16.3; (25-54) 17.8.

"League Championship Series" In the past five years, the Nationals have tended to draw a bigger share of the audience, but the American League playoff between Detroit and Kansas City in 1984, with an average rating of 16.7, has been the highest of any playoff in the past five years.

10-year ratings trend of World Series

Bars represent average household ratings for Series telecasts. Numbers within bars reflect number of games in each series and number of (night games).



Source: Nielsen Media Research

John Hall

Ratings: American League: 11.0 (Oakland vs. Boston, ABC, 1988); 14.5 (Minnesota vs. Detroit, NBC, 1987); 15.7 (Boston vs. California, ABC, 1986); 15.8 (Kansas City vs. Toronto, NBC, 1985); 16.7 (Detroit vs. Kansas City, ABC, 1984).

National League: 15.3 (Los Angeles vs. New York, ABC, 1988); 15.4 (St. Louis vs. San Francisco, NBC, 1987); 14.9 (New York vs. Houston, ABC, 1986); 15.4 (St. Louis vs. Los Angeles, NBC, 1985); 15.9 (San Diego vs. Chicago, ABC, 1984).

"All-Star Game." This traditional midseason classic is one of baseball's most consistent performers as a showcase for the sport's best players. ABC and NBC again have alternated coverage, but CBS has four-year rights starting next year.

Ratings: 18.2 (NBC, 1989); 20.4 (ABC, 1988); 19.3 (NBC, 1987); 20.3 (ABC, 1986); 20.5 (NBC, 1985); 20.1 (ABC, 1984).

"Game of the Week" (NBC). Network baseball telecasts on Saturday afternoon have been synonymous with NBC for decades. But next season, CBS will telecast 12 weekend games during the season, while ESPN programs 175 games for its national cable audience. ESPN plans double-headers Tuesday and Friday nights and single games Wednesday and Sunday. That's a lot of baseball. NBC averaged about 20 telecasts each year. Facing competition from local TV station game telecasts and regional sports networks telecasting more and more games on cable TV, the "Game of the Week" average ratings have shown a decline.

Ratings: 5.0 (1989); 5.5 (1988); 5.9 (1987); 6.4 (1986); 6.5 (1985); 6.4 (1984).

"Monday/Thursday Night Baseball" (ABC). ABC hoped to extend its "Monday Night Football" success into another sport, but "Monday Night Baseball" never really caught on. It averaged single-digit ratings for its eight telecasts a year since 1985. This year, ABC shifted its prime-time baseball coverage to Thursday night, reaching a new low of 6.2 for its average rating this year.

Ratings: 6.2 (1989); 8.0 (1988); 8.8 (1987); 9.4 (1986); 9.5 (1985); 10.7 (1984). □

Written by Wayne Walley.

TV station takes slap at price ads

By Janet Meyers

Sick of commercials with screaming salesmen touting lowest-ever prices?

So was Norfolk, Va.'s WVEC-TV when the station launched an anti-bad ad campaign starring five of the state's top ad executives.

The ABC affiliate provided $200,000 in airtime for six weeks starting Oct. 2 for a campaign to persuade retailers to produce classier spots.

The campaign is the brainchild of Chris Johnson, WVEC's marketing manager, who decided to go ahead with the campaign after research showed viewers weren't thrilled about price commercials on TV.

"Advertisers have given up any kind of image advertising in favor of this price advertising," said Ms. Johnson, who claimed she's not afraid advertisers will retaliate by pulling their ads. "They should at least mix in some image advertising with price."

Each agency executive wrote his own spot for the campaign. Featured are Dan Ballard, president, Lawler Ballard, Norfolk; Bill Campbell, exec VP-creative director, Barker Campbell Farley, Virginia Beach; and Richmond executives David Martin, chairman, Hawley Martin Partners; Doug Burford, president, Burford Co.; and Tim Finnegan, chairman, Finnegan & Agee. A sixth spot features WVEC President Bill Beindorf.

David Martin and his chair get attention in a campaign aimed at discouraging screaming, price-oriented spots.

Mr. Martin is shown sitting in a big green leather chair, saying nothing as he squeakily shifts position. Then he lights his pipe, finally saying, "You don't have to shout to get someone's attention."

The spot featuring Mr. Campbell closes with him saying, "Cheap-cheap is a bird call, not a marketing strategy."

WVEC handled production of the spots.

Ms. Johnson wouldn't disclose any particular marketers' advertising that bothers her or even categories of advertisers guilty of price advertising. "I don't want anybody to feel we have singled them out," she said.

Are the ad executives fearful of clients being unhappy with the ads? Mr. Campbell said he thinks the campaign might turn away some potential clients.

"But to be real honest, that's not the kind of advertising I want to do," he said. "To put dozens of prices into a 30-second commercial is not going to be very effective." □

Orange County Panhandler

"Hey, buddy, can you spare a few shares of stock?"

In Orange County, Southern California's richest market, 29% of all adults are stockholder, the 7th highest percentage in the U.S.

(Source: New York Stock Exchange)

THE ORANGE COUNTY Register METROGROUP

The leading medium in Southern California's richest market. Represented by CWO&O

Retailers' turmoil

(Continued from Page 10)

produce a response at the cash register will be in question," said Steven Butterman, president, Butterman Retail Marketing.

"If retailers find their backs to the wall, they'll start chipping away at this line item and that, and it's not an unlikely possibility that advertising [budgets] will be hurt," said James Newton, president, Economic Perspectives, a retail consultancy.

Inventories will be tightened by debt-strapped retailers.

"It could become a vicious cycle. Stores won't have enough merchandise, so managements will say consumer interest isn't there. Meanwhile, consumers won't buy it if they can't find it," said Marvin J. Rothenberg, president of Marvin J. Rothenberg Inc., a retail marketing consultancy.

But of immediate concern to retailers and manufacturers is the upcoming holiday season, expected to be tough for retailers because of persistent consumer caution (AA, Sept. 11).

One risk is that chains will become preoccupied with their future and that both customer service and sales will suffer as a result.

"Everyone will be gossiping, wondering about their future. . . . The conventional wisdom is that [management changes or new financial structures] are not going to affect service on the selling floor. But that's baloney: It always affects service," said one former department store sales promotion executive who asked not to be identified.

Another risk is that cash-hungry retailers will pick up the pace of off-price promotions, forcing the entire industry to respond, or will adopt new everyday low-price positions, intensifying price competition.

For example, Macy's decision to institute everyday low pricing for its women's coats has been featured prominently in print ads from its in-house agency.

Still, executives at several of the chains making headlines say this holiday season will be business as usual.

"Everything is going ahead as planned," said Paul Lenlang, senior VP at Saks Fifth Avenue, noting that Christmas advertising and promotional schedules were in place months ago.

"Our value is as an ongoing retail concern: in generating traffic and sales. We're not going to change the plans we have in any way," he said. □

Pat Sloan in New York contributed to this story.

Electronic dealers who ignore New York's Hispanic consumers are in for a shock.

In 1988, New York's Hispanics spent more than $200 million on electronics, including $40 million on TV sets, $16 million on VCRs and $17 million on camcorders.

Want to reach these buyers? Advertise on WNJU 47—New York's #1 Spanish-language television station.

It's as simple as that!

WNJU 47
Telemundo in New York

For more information, call Rosemarie Lieberman (212) 492-5603

Source: Arbitron, May 1989, sign-on to sign-off. Lee Slurzberg Research, Inc. New York Retail Study, January 1989.

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